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SWIDLER BERLIN SHEREFF FRIEDMAN, LLP

3000 K STREET, NW, SUITE 300
WASHINGTON, DC 20007-5116
TELEPHONE (202)424-7500
FACSIMILE (202) 424-7645
WWW.SWIDLAW.COM

MICHAEL W. FLEMING
DIRECT DIAL (202) 945-6951
MWFLEMING@SWIDLAW.COM

NEW YORK OFFICE
919 THIRD AVENUE
NEW YORK, NY 10022
(212) 758-9500 FAX (212) 758-9526

December 12, 2000

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

VIA HAND DELIVERY

Magalie Roman Salas, Secretary
Federal Communications Commission
The Portals
445 Twelfth Street, S.W.
Washington, D.C. 20554

EX PARTE OR LATE FILED

Re: US LEC Corporation *Ex Parte* Presentation in CC Docket 99-68 (Inter-Carrier Compensation for ISP-Bound Traffic)

Dear Ms. Salas:

Pursuant to Sections 1.1206(a) and (b) of the Commission's Rules, 47 C.F.R. § 1.1206(a) and (b), this letter is to provide notice of an oral *ex parte* presentation by US LEC Corporation in the above-referenced proceeding on Monday, December 11, 2000. Patrick Donovan and the undersigned of Swidler Berlin Shereff Friedman, LLP met with Kyle Dixon, Legal Advisor to Commissioner Powell. The purpose of the meeting was to discuss US LEC's position on the issue of intercarrier compensation for ISP-bound traffic.

I also provide hereby four copies of an *ex parte* letter sent to Kyle Dixon regarding the above-referenced proceeding. Thank you for your attention to this correspondence. Please date-stamp and return the additional copy of this letter for our records.

Sincerely,

Michael W. Fleming

Michael W. Fleming
Counsel for
U S LEC Corporation

Enclosure

cc: Kyle Dixon
ITS

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SWIDLER BERLIN SHEREFF FRIEDMAN, LLP
3000 K STREET, NW, SUITE 300
WASHINGTON, DC 20007-5116
TELEPHONE (202)424-7500
FACSIMILE (202) 424-7645
WWW.SWIDLAW.COM

MICHAEL W. FLEMING
DIRECT DIAL (202) 945-6951
MWFLEMING@SWIDLAW.COM

NEW YORK OFFICE
919 THIRD AVENUE
NEW YORK, NY 10022
(212) 758-9500 FAX (212) 758-9526

December 12, 2000

VIA HAND DELIVERY

Kyle Dixon
Legal Advisor to Commissioner Powell
Federal Communications Commission
The Portals
445 Twelfth Street, S.W.
Washington, D.C. 20554

Re: US LEC Corporation *Ex Parte* Presentation in CC Docket 99-68 (Inter-Carrier Compensation for ISP-Bound Traffic)

Dear Mr. Dixon:

Attached please find a copy of the report entitled "California's Internet Service Providers View Reciprocal Compensation, Affordable Internet Access & Rural Internet Access" that was mentioned in our discussion yesterday.

In accordance with Section 1.1206(b)(1) of the Commission's Rules, 47 C.F.R. § 1.1206(b)(1), an original and four copies of this letter are being filed with the Secretary's office for inclusion in the public record.

Please let me know if you have any questions regarding the enclosed.

Sincerely,

Michael W. Fleming

Michael W. Fleming
Counsel for
U S LEC Corporation

Enclosure

CALIFORNIA'S INTERNET SERVICE PROVIDERS

VIEW RECIPROCAL COMPENSATION,

AFFORDABLE INTERNET ACCESS & RURAL INTERNET ACCESS

An Analysis of Survey Results

by Yale M. Braunstein

and Rashmi Sinha

School of Information Management & Systems

University of California, Berkeley

December 2000

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EXECUTIVE SUMMARY

Currently, local telephone companies in California compensate each other when one carrier completes a call that originates on the network of another carrier. This system recognizes the complex, interconnected nature of the state's telephone network, with local carriers of widely differing sizes covering the various regions of the state. Local calls throughout California are supported by these inter-carrier payments, although only the calling party is billed by the originating carrier.

Over time, the nature of the traffic on the network has changed. This has been the result of both changes in technology— direct dialing, fax machines, and Internet— and a general reduction in and restructuring of telephone tariffs. Questions have arisen about the appropriateness of the reciprocal compensation system for calls to Internet Service Providers (ISPs), and this issue is currently being debated at both the state and federal levels. This survey has been designed to present the views of California's ISPs on reciprocal compensation and the likely effects that ending reciprocal compensation would have on the ISPs and the communities they serve.

A sample of 103 of the approximately 750 Internet Service Providers in California were surveyed in late October and early November 2000 to determine their views on reciprocal compensation. The survey focused on the likely effects that would occur if the current system of reciprocal compensation for intrastate telephone calls was ended.

While the precise response of competitive phone companies to the elimination of reciprocal compensation can't be known, we find it reasonable to assume that CLECs will turn to Internet Service Providers to cover the shortfall.

Specifically, the ISPs were asked if they would pass cost increases on to their subscribers and, if so, how much they would raise their rates. They were also asked about the impacts this change would have on their customers and on the communities in which they live and work. The overwhelming majority (almost 86%) of the ISP respondents stated that they would pass the cost increases on to their customers, and the average expected rate increase was approximately 20%.

Approximately three-quarters (77% of those responding) of the ISPs serve rural areas. These ISPs were then asked about the "risks" faced by those communities— higher prices for Internet access than in urban areas, lack of affordable access, local toll charges for access, and less choice for ISP service. In each case over 50% of the ISPs stated that these risks applied to the rural communities that they serve. Another question asked if the ISPs might become unable to offer service to rural communities if CLECs were to pass on the termination costs. Approximately 45% of the ISPs stated that they might discontinue service to rural communities. Follow-up questions elicited the names of specific communities that faced each of these risks. (We have organized these lists and include them in the Appendices.)

In general, the ISPs rate the impact of the Telecommunications Act of 1996 positively, and believe competition in local telephone service has had a positive impact on their business.

We also used the answers to one question to break down the answers to others, obtaining additional insights into how ISPs view the specific issues. Those ISPs that serve rural communities stated that they are more likely to raise rates than did those ISPs that do not provide rural service.

We believe that the survey results accurately reflect the views of California's ISPs. Reviewing the survey and the responses, one comes away with the view that the ISPs understand the issues and the likely negative effects that the end of reciprocal compensation will have on their businesses. They foresee negative effects on their subscribers, especially those in rural communities. These negative effects will be especially strong in the rural areas of the state; competition among ISPs will decline and the cost of Internet access can be expected to increase. Some communities face the complete loss of local access to the Internet.

ABOUT THE SURVEY

About the authors

Yale M. Braunstein is a professor in the School of Information Management and Systems at the University of California at Berkeley. Professor Braunstein has a Ph. D. in Economics from Stanford University. He is the author or co-author of over 40 articles in economics and information science and has served as a consultant to the Federal Communications Commission, the National Telecommunications and Information Administration, and regulatory agencies in Israel and Sweden, as well as to a number of corporations and non-profit organizations. Professor Braunstein also has an appointment in Berkeley's Health Services and Policy Analysis Group.

Prior to coming to Berkeley, Professor Braunstein was a member of the economics departments at New York University and Brandeis University. He has taught courses on the economics of information, regulation, and econometrics. He has been a visiting scholar and lecturer at the East-West Center and in China and Germany.

Rashmi Sinha is a lecturer in the School of Information Management and Systems at the University of California at Berkeley. Dr. Sinha has a Ph. D. in Experimental Psychology from Brown University. Prior to coming to SIMS, Dr. Sinha was a postdoctoral fellow in the Department of Psychology, UC Berkeley. Her research interests include human cognitive processes and the usability of computer interfaces. She is currently teaching a course on quantitative methods for SIMS.

About the survey

We assumed that there are approximately 750 ISPs in California. As there is no complete, authoritative list of ISPs, or official definition of what an ISP is, determining the exact number may be difficult. This estimate is based on the testimony of the California Internet Service Providers Association before the California Public Utilities Commission, referencing confidential data provided by the major telephone companies in the state. The California Internet Service Providers' Association (see http://www.cispa.org/) sent a mailing to all the known ISPs requesting contact information. There were 270 responses to this request, and each was contacted by telephone on October 19 or 20 to schedule a time to complete the survey. If the ISP requested, the survey was made available online, and a password was e-mailed to the respondent. The online version was made available during the period from October 26 to November 2.

The survey consisted of 18 questions that called for a mix of categorical, quantitative, and open-ended responses. We estimate that it took the respondents an average of approximately 10 minutes to complete the survey. There were 75 responses obtained by telephone, and 28 ISPs completed the online version, for a total of 103 responses.

A note about the margin of error

The margin of error for responses to a survey depends on the size of the sample, the breakdown of the responses, and the desired confidence level. This survey was designed so that the response to one question would determine which additional questions were asked of the respondent. As a result there are changes in the number of responses as the survey progressed. We have calculated and reported the margins of error for several key questions using a 95% confidence level.

SURVEY RESULTS

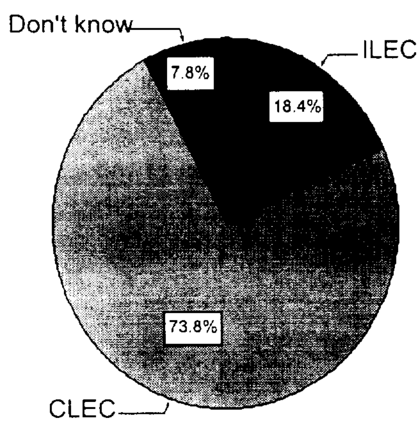
Categorical and quantitative questions

This section presents the results to those questions that called for a categorical or quantitative response. These results provide a good introduction to California's ISPs and to their views on the question of reciprocal compensation. The focus is both on the effects that the possible end of reciprocal compensation will have on the ISPs and on their customers. We will present additional analyses that relate the responses to two or more questions in the next section.

The survey started by asking the ISPs which type of carrier provided their service and whether they were familiar with the term "reciprocal compensation."

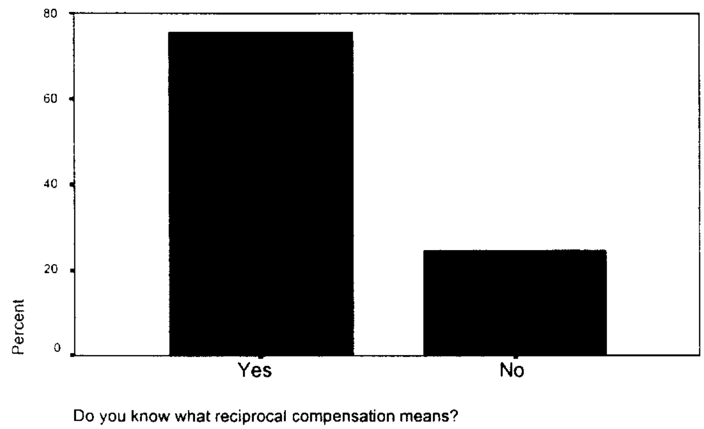
The ISPs surveyed are mostly served by CLECs (73.8%). Only 18.4% of the ISPs surveyed are served by ILECs, and 7.8% of the respondents did not know whether they are served by CLECs or ILECs.

Exhibit 1: Are you currently being served by an ILEC or a CLEC?



The respondents who stated they were served by a CLEC or did not know whether they were served by a CLEC or an ILEC were then asked a set of additional questions. The first of these was whether they were familiar with the term "reciprocal compensation." Of those responding, three-quarters (75%) were familiar with the term reciprocal compensation; the remaining quarter was not. If the respondent answered "no," a short definition of reciprocal compensation was given.

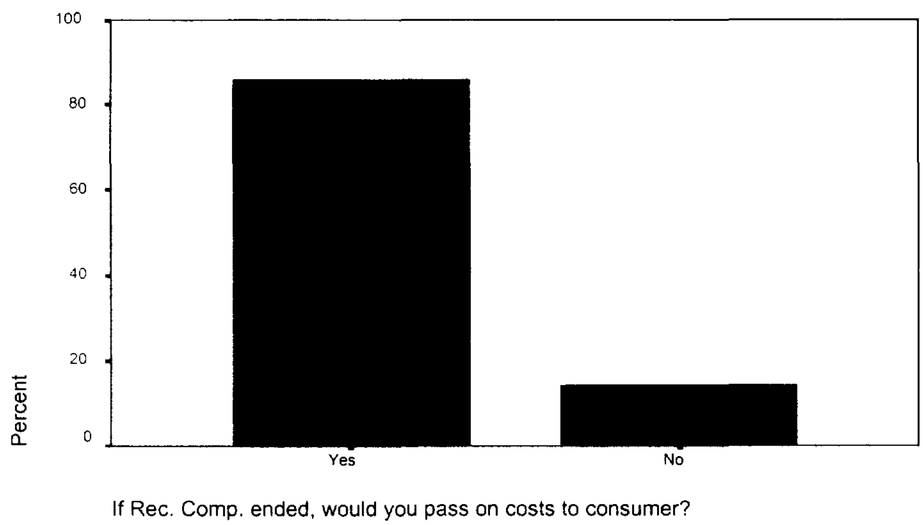
Exhibit 2: Do you know what the term "reciprocal compensation" means?



The end of reciprocal compensation is likely to lead to widespread increases in consumer costs. The vast majority (86%) of the ISPs responding yes or no stated that in the event that reciprocal compensation were ended, they would pass on the costs to terminate ISP bound calls to consumers. The margin of error for this response is plus or minus 8%. Very few (14%) have decided not to pass on the costs. Ten ISPs were undecided or did not know what their course of action would be.

If we ignore the undecideds and "did not knows," we can be 95% certain that at least 78% (86% - 8%) of the ISPs served by CLECs expect to pass on to consumers the costs from the discontinuation of reciprocal compensation. Even if we count all the undecideds and "did not knows" with the negative responses, we still have 76% (with a margin of error of plus or minus 9%), or a minimum of 67% that expect to pass the costs on to consumers. It appears to us that most ISPs understand the issue of reciprocal compensation and will respond to the end of reciprocal compensation by passing on the costs to consumers.

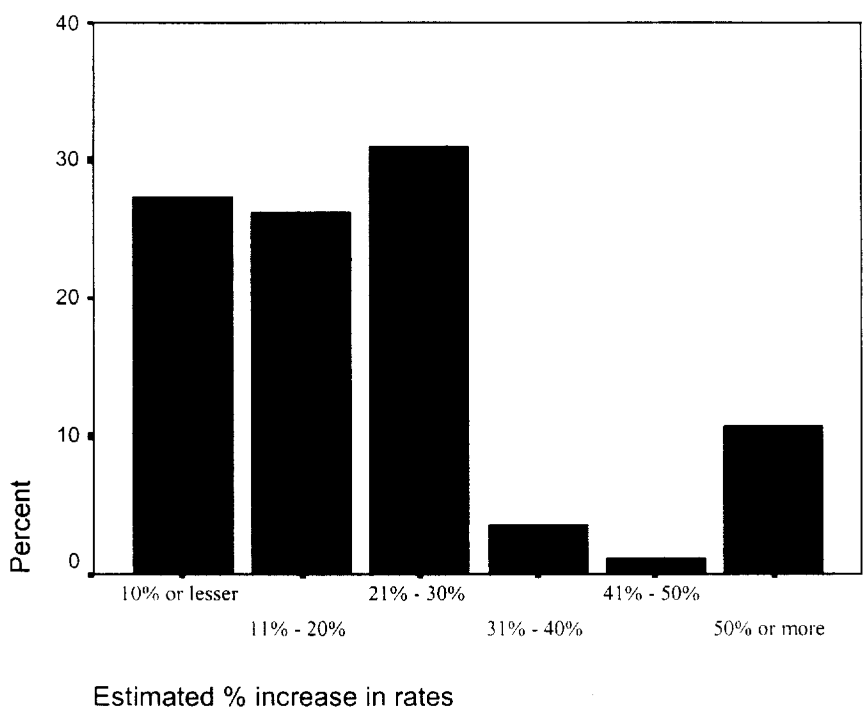
Exhibit 3: Suppose reciprocal compensation were ended and CLECs started passing on to you the cost terminate ISP bound calls. Would you have to pass on those costs to your consumers?



Those ISPs who answered "yes" to the previous question were then asked, if they did pass the cost increase on to their subscribers, to estimate the extent to which they expected their rates to increase. There is a wide range of anticipated rate increases, but most ISPs (84.5% of those responding) have decided to stay within 30% rate increases. The most common responses were in the 21 to 30% range, but some (8.7 %) are anticipating increasing rates by 50% or more.

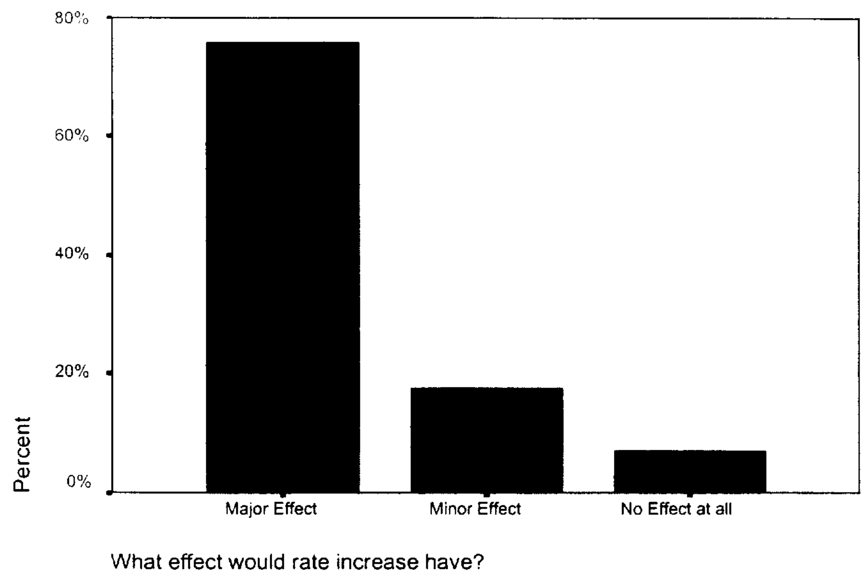
We divided the responses into two groups, those estimating rate increases of 0 to 30% (84.5% of those responding) and those estimating rate increases greater than 30% (15.5% or those responding). The margin of error for this breakdown is plus or minus 8%. In other words, we can be 95% certain that between 7.7% and 23.2% of the ISPs that expect to raise their rates to consumers will do so by over 30%.

Exhibit 4: If you did start passing on the cost to terminate ISP bound calls to your customers, how much do you estimate you would have to increase your rates to cover the cost?



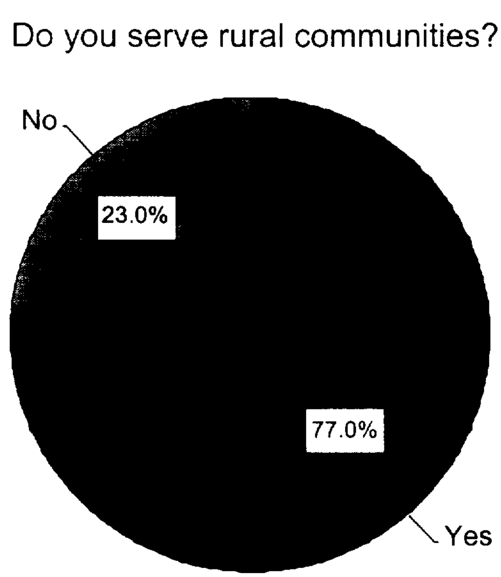
The next question asked the respondents to describe the impact these rate increases would have on their customers. Most ISPs (75.7%) anticipate that these rate increases will have a major impact on their customers. Only 6.8% anticipate no impact at all.

Exhibit 5: What effect do you think such a rate increase would have on your customers?



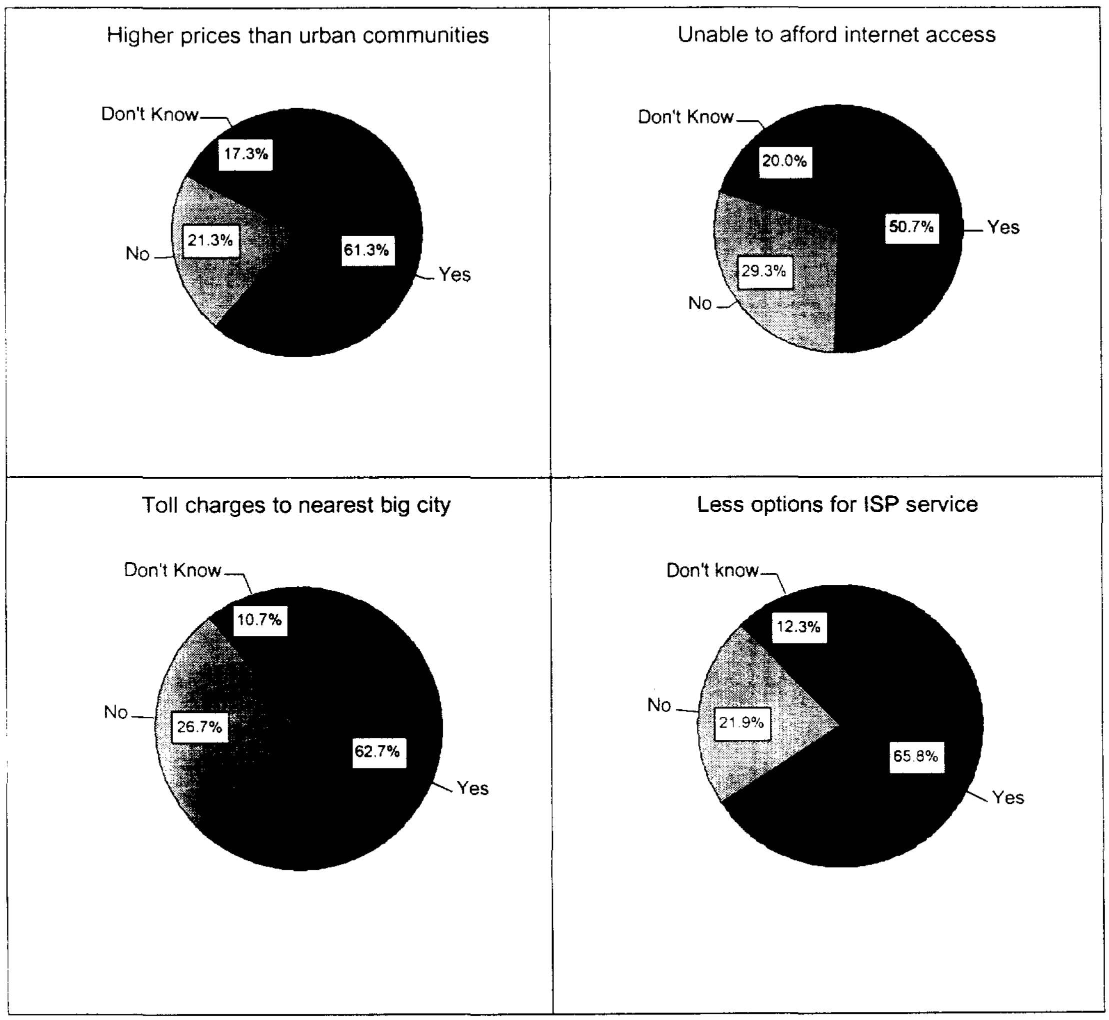
The questions then focused on rural service by the ISPs. Most of the respondents (77%) serve rural communities. 23% of the ISPs do not serve rural communities.

Exhibit 6: Do you serve rural communities?



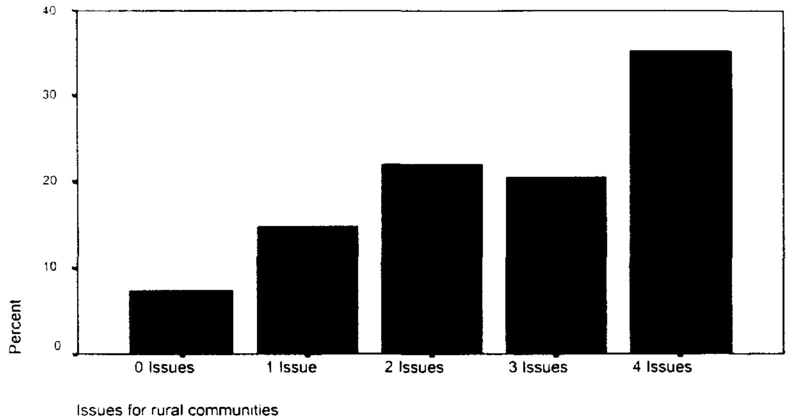
Those respondents who indicated that they served rural areas were then asked a series of additional questions about the likely impacts on rural areas. The first set addressed four types of hardships that rural communities might face: higher prices than urban communities, being unable to afford Internet access, paying toll charges to the nearest big city and having less choice for ISP service. Each of these issues was seen as a potential problem by at least 50% of the ISPs surveyed. Less choice for ISP service was seen as the most probable (65.8% of the ISPs said yes, while only 21.9% of the ISPs said no). Almost as great a percentage saw the payment of local toll charges (62.7%) and rural subscribers paying higher rates than urban subscribers (61.3%) as likely risks. About half (50.7 %) stated that subscribers in rural communities might be unable to afford Internet access.

Exhibit 7: Now thinking of the rural communities you serve, which, if any, of the following issues would you say those communities are at the risk for facing:



Approximately one third of the ISPs (35.3 %) anticipated that rural communities would face all four above issues, while only 7.4% of the ISPs anticipated that rural communities would face none of the above four issues.

Exhibit 8: Number of issues that rural communities might face



We investigated whether the same ISPs were answering positively to this entire set of questions about the risks faced by rural communities or whether the ISPs were able to identify specific concerns for the communities that they serve. The pair-wise correlations between the responses range between 0.20 and 0.41. (If there were perfect agreement in answering the questions, the correlation coefficients would be 1.00) While some of the correlations are significant at the .01 level, they are smaller than could be expected suggesting that there is not complete overlap between the problems anticipated by rural communities and that the ISPs were sensitive to these differences.

Exhibit 9: Correlation between various issues faced by rural communities

		(a) Higher prices than urban communities	(b) Toll charges to nearest big city	(c) Unable to afford Internet access costs	(d) Less choice for ISP service
(a) Higher prices ...	Corr.	1			
	N	*(62)*			
(b) Toll charges...	Corr.	0.38 **	1		
	N	*(61)*	*(67)*		
(c) Internet access costs...	Corr.	0.4 **	0.26 *	1	
	N	*(55)*	*(60)*	*(60)*	
(d) Less choice: ISP...	Corr.	0.2	0.41 **	0.36 *	1
	N	*(59)*	*(63)*	*(59)*	*(64)*

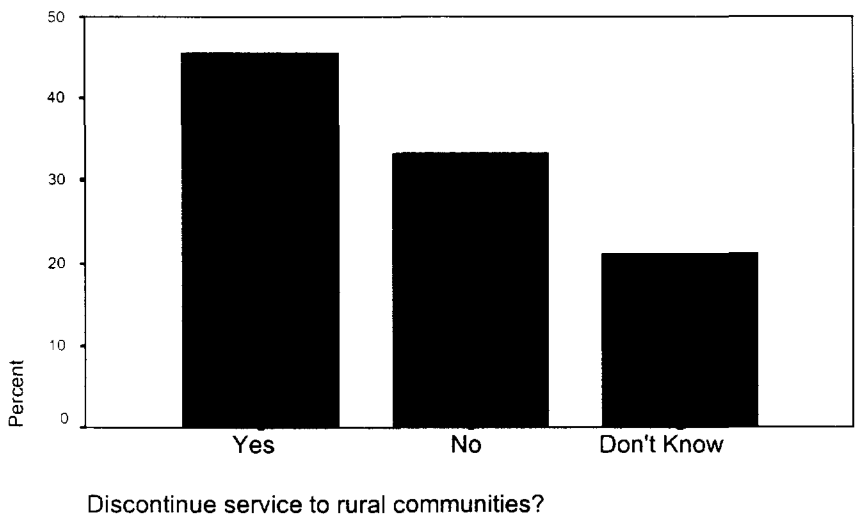
** Correlation is significant at the 0.01 level (2-tailed).

* Correlation is significant at the 0.05 level (2-tailed).

In some sense complete loss of service to a community is the ultimate risk. ISPs were asked if the ISPs "might be unable to continue to offer service" if their CLEC would charge them the termination costs. 45.5% of the ISPs (57.6% of those answering yes or no) indicated that they were likely to discontinue service to some rural communities. The margin of error for this response is plus or minus 12% (plus or minus 13% for the 57.6% of those answering yes or no). In comparison, 33.3% of the ISPs indicated that they would not discontinue service to rural communities and 21.2% did not know what their course of action would be in such an eventuality.

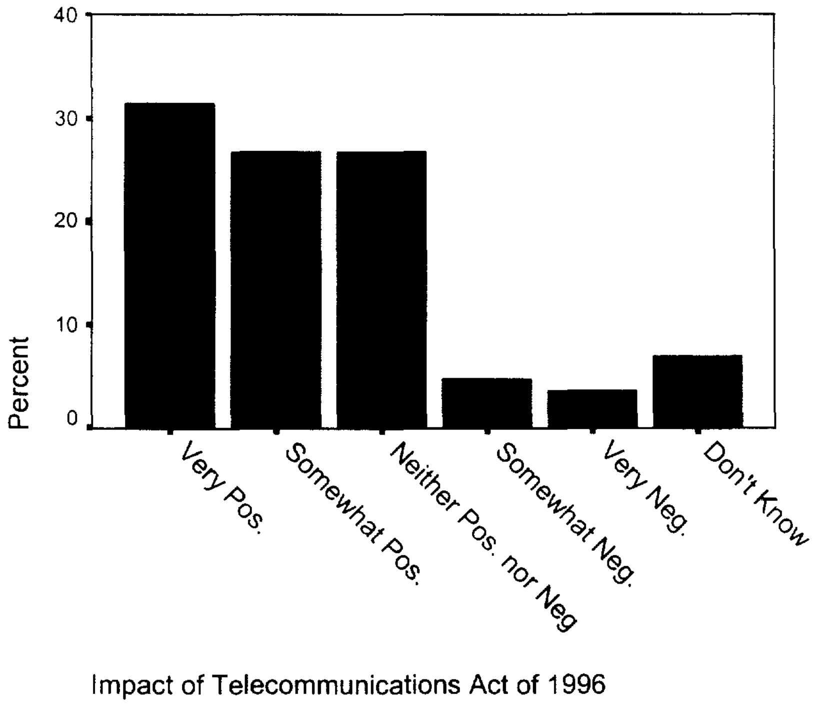
If we ignore the "did not knows," we can be 95% certain that at least 44% (57.6% - 13.4%) of the ISPs served by CLECs think there is risk of discontinuation of service to their rural communities from the ending of reciprocal compensation. Even if we combine all the "did not knows" with the negative responses, we still have 45.5% plus or minus 12%, or a minimum of 33.5% that expect to pass the costs on to consumers. In other words, our lowest estimate is that we can be 95% certain that over one-third of the ISPs served by CLECs think they may drop service to rural communities.

Exhibit 10: Are there any rural communities you think you might be unable to continue to offer service to if your CLEC requires you to pay the cost to terminate calls to your modems?



The final categorical question asked of the ISPs, regardless of whether they served rural areas, concerned their evaluation of the impact of the Telecommunications Act of 1996 on telephone competition. Most (58.1 %) think that the 1996 Act had at least a "somewhat positive" impact. A further 26.1% have a neutral attitude, while a few (8.2 %) consider the Act to have had a negative impact. In other words, more than seven times as many ISPs had a positive view of the Act than a negative view.

Exhibit 11: How would you rate the Impact of the Telecommunications Act of 1996 on local phone competition?

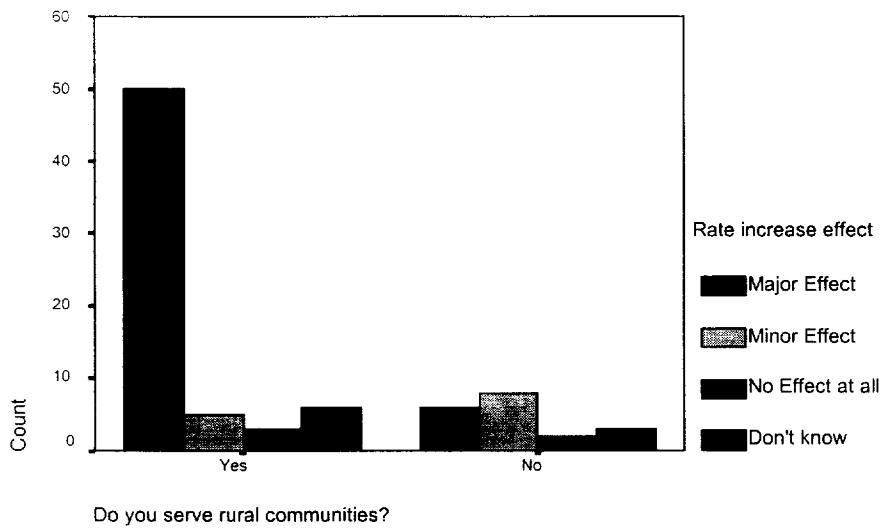


Multivariate Analysis

The survey design allows us to look at subsets of responses and to relate the responses to one question to those of another. This section presents these more complex results.

We start by relating how the ISPs that serve rural communities and the perceived effect of a rate increase. 78% of the ISPs that serve rural communities anticipate a major effect of a rate increase, 7.8% anticipate a minor effect, while 4.7% anticipate no effect at all. In contrast, 31.6% of the ISPs that do not serve rural communities anticipate a major effect while 42.1% anticipate a minor effect and 10% do not anticipate any effect at all. Thus a larger proportion of ISPs serving rural communities anticipate major effects of rate increase. This highlights the differential impact of the end of reciprocal compensation for rural communities.

Exhibit 12: Do ISPs that serve rural communities anticipate more effects of rate increase than ISPs that do not serve rural communities?

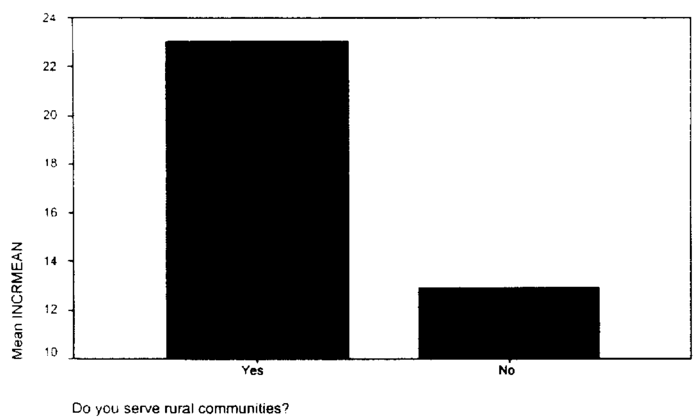


We then examined whether the expected increase in ISP subscription rates was different for those ISPs service rural communities. In order to compute mean rate increase percentages, we recoded the responses to the estimated percentage of rate increase by ISPs according to the table below. We used the mid point of each of the range of rate increase.

Less than 10% = 5%
11 % to 20% = 15%
21 % to 30% = 25%
31 % to 40% = 35%
41 % to 50 % = 45%
More than 50% = 55%

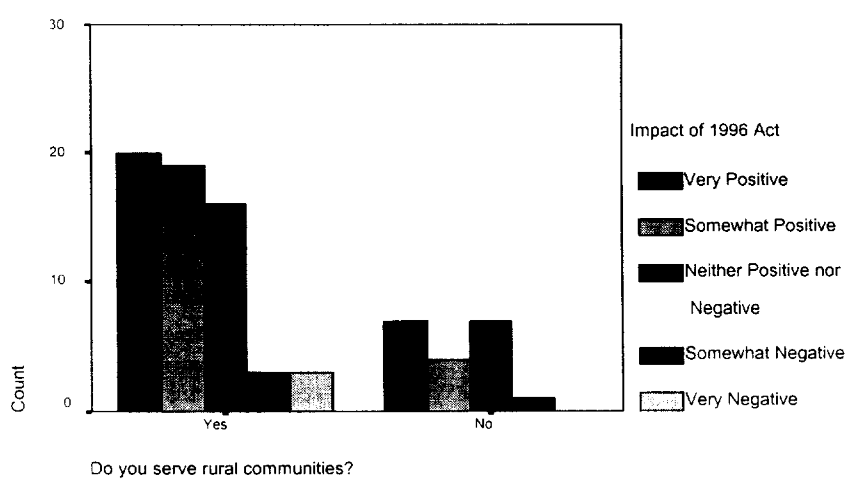
We then used these recoded percentages to compute mean percentage increases for ISPs that serve rural and ISPs that do not serve rural areas. This clearly shows that ISPs serving rural areas are anticipating much higher rate increases than ISPs not serving rural areas. This was verified with an Independent Samples t test ($t = 3.65$, $p = .001$).

Exhibit 13: Are ISPs serving rural areas anticipating larger rate increases than ISPs not serving rural areas



Our last analysis in this set compares ISPs' views of the Telecommunications Act of 1996 with rural coverage. Of the ISPs that serve rural communities, 30.3% believe that the 1996 Act had a very positive impact, 28.8% see a somewhat positive impact, 24.3% see a neither positive nor negative impact and very few (9%) see a negative impact. Of the ISPs that do not serve rural communities 35% see a very positive impact, 20% see a somewhat positive impact, 35% see a neither positive nor negative impact. Thus ISPs serving rural communities seem to have similar perceptions about the impact of the 1996 Act as do those ISPs not serving rural communities.

Exhibit 14: Perceived Impact of Telecommunications Act of 1996 on ISPs that serve rural communities as compared to ISPs that do not serve rural communities.



Open-ended questions

This section presents a summary of the responses to the open-ended questions in the survey. These questions asked the ISPs to identify the communities likely to be affected by the elimination of reciprocal compensation or to face discontinuation of service, and to discuss the impact of local telephone competition on the ISP business.

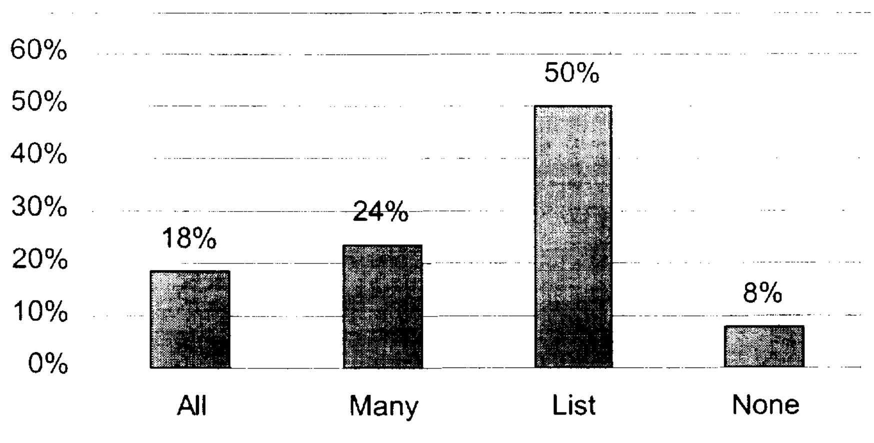
Communities likely to be affected

One set of questions asked the ISPs whether the communities they serve were at risk of paying higher prices than urban communities, being unable to afford internet access costs, paying local toll charges to dial-in to the nearest big city, or having less choice for ISP service. (See Exhibit 7 through Exhibit 9 above.) The follow-up question then asked the respondents which of the rural communities that they served would be exposed to these risks. Useful answers (after dropping answers such as "decline to state") were obtained from 38 of the ISPs. We read each answer and put them into one of four categories:

- The "All" category includes the 7 responses (18% of those responding) with the word "all" in the answer.
- The "Many" category includes the 9 responses (24%) with "many," "most," or "majority" in the answer.
- The "List" category includes the 19 responses (50%) with one or more communities or regions given explicitly.
- The "None" category includes the 3 responses (8%) that stated no rural communities served would be affected or made a similar statement.

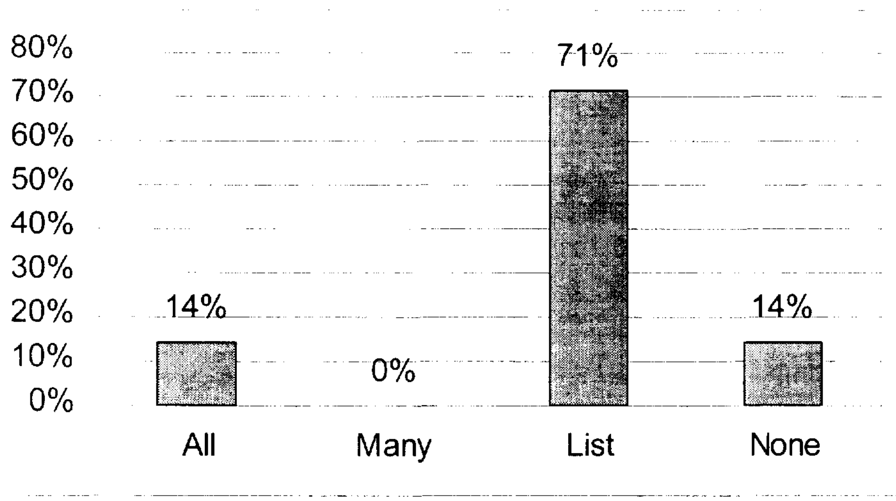
This breakdown of responses is shown in Exhibit 15. There are approximately 75 communities and regions specified by name in the responses. They are listed in Appendix A.

Exhibit 15: Which of the rural communities you serve do you think would be exposed to these risks?



We also asked the respondents if they thought they might be unable to continue to offer service to any rural communities if the CLECs would require the ISPs to pay the cost to terminate calls bound their modems. Of the 30 ISPs who responded positively, 28 provided useful follow-up responses when asked which areas would have service discontinued. We again classified these responses into the four categories used above. The breakdown is that 4 ISPs (14% of those responding) stated they might stop serving all rural areas, 20 (71%) listed one or more specific areas, and 4 (14%) stated none of their areas would face discontinuation of service. None of the responses fit into our "many" category. The breakdown is shown in Exhibit 16. We have listed the approximately 45 communities and regions specified by name in Appendix B.

Exhibit 16: Which rural areas and rural towns would you stop serving?



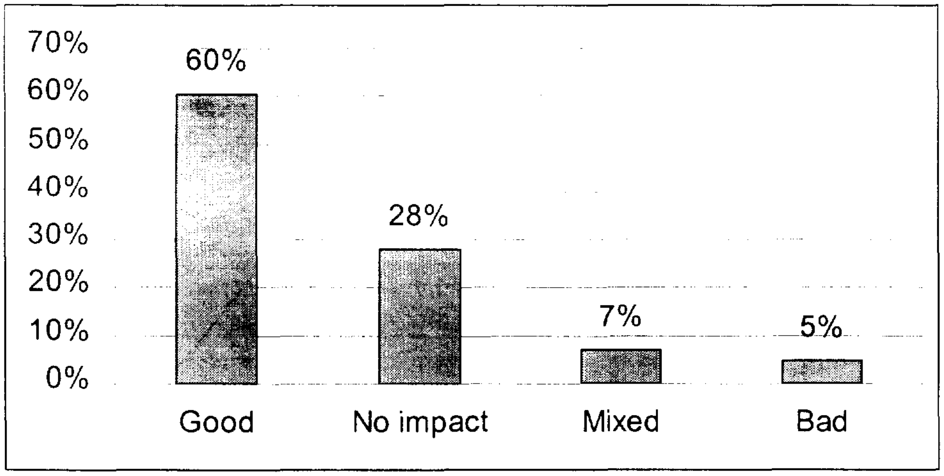
Effects of local telephone competition

The ISPs were asked to assess the impact of the Telecommunications Reform Act of 1996 on local telephone competition, which provided a structured set of responses. (See Exhibit 11.) They were also given the opportunity to describe the impacts of local competition in an open-ended question. We analyzed the 43 responses to the open-ended question and put them into four categories:

- Local telephone competition was good for the ISPs – 26 responses (60% of those responding).
- Local telephone competition had no impact – 12 responses (28%).
- Local telephone competition had mixed impact – 3 responses (7%).
- Local telephone competition had a bad impact – 2 responses (5%).

This breakdown is shown in Exhibit 17 and should be compared to Exhibit 11. It should be pointed out that some ISPs feel that there isn't any effective competition in California.

Exhibit 17: Impact of local telephone competition in California on your business



DISCUSSION AND CONCLUSIONS

There are several conclusions that one can draw from the survey responses. We believe that the two most interesting are:

(1) Over 45% of the ISPs that serve rural communities stated that they might need to discontinue service to rural communities. (Exhibit 10; this is 57.6% of those answering yes or no to this question.)

(2) The ISPs both expected that rural communities might face other service problems (increased costs, less choice, etc.) and could distinguish among these. (Exhibit 7 through Exhibit 9)

There were several other important findings:

- Over 76% of the ISPs stated that they would pass on to consumers the increased costs that would result from the end of reciprocal compensation. (Exhibit 3; this represents 86% of those responding yes or no to this question.)

- The most common estimate of increased rates was between 21 and 30 percent, and 15.5% of the ISPs estimated the rate increase would be greater than 30 %. (**Exhibit 4**)

- More than seven times as many ISPs thought the effects of the 1996 Telecommunications Act were positive than thought it was negative. (Exhibit 11)

- ISPs that serve rural communities are anticipating a significantly higher increase in their rates to consumers if reciprocal compensation is ended than are the ISPs that did not provide rural service. (Exhibit 13)

We believe that the survey results accurately reflect the views of California's ISPs. They understand the issues related to the possible end of reciprocal compensation and are able to foresee the negative effects on both their business and on the communities they serve. These negative effects will be especially strong in the rural areas of the state; competition among ISPs will decline and the cost of Internet access can be expected to increase. Some communities face the complete loss of local access to the Internet.

APPENDICES

Appendix A: At Risk Rural Communities

ISPs report that the following rural areas are at risk of
Paying higher prices, being unable to afford Internet access, paying local toll charges, having less choice of ISPs

County	All rural areas served	Most/majority	Central Valley	Northern CA	Riverside	San Joaquin
Cities (area code)	9	3	1	3	Hemet (909) Idyllwild (909) Nuevo (909) Blythe (760) Palm Desert (760) Riverside (909) Joshua Tree Area (760) Temecula-2 (909) Sage (909) Auguanga (909) Anza (909) Whole County-6 (909)	Lodi-3 (209) Whole county-2
County	Inyo	San Diego	Imperial	Yuba	Glenn	Tahema
Cities (area code)	Bishop-2 (760, 707) Whole county (760, 707)	Ramona (760) Fallbrook (760) Alpine (760) Borrego Springs (760) Whole County (619, 760)	Whole county (760)	Camptonville (530)	Willows (530) Anderson (530)	Whole county (530)
County	San Bernardino	Marin	Merced	Madera	Napa	Humboldt
Cities (area code)	Whole county-5 (909, 760)	Whole county (415)	Merced (209)	Madera (559, 209) Chowchilla (559)	Whole county (707)	Whole county-3 (707)
County	Mono	Placer	Siskiyou	Lassen	Humboldt	Ventura
Cities (area code)	Mono Lake (760) Whole county (760)	Tahoe (530) Truckee (530, 916) Lincoln (916)	Weed (530)	Susanville (530)	Fortuna (707) Whole county (707)	Ventura (805) Thousand Oaks (805) Camarillo (805) Whole county-2 (805)

County	Mendocino	Kern	Catalina Island	Monterey	San Luis Obispo	Solano
Cities (area code)	Whole county (707)	Bakersfield (661, 805) Wasco (661) Whole county-2 (661, 805)	Whole island (310)	Parkfield (831) Whole county (831, 408)	Whole county (805)	Dixon (707)
County	Colusa	Sonoma	El Dorado	Tuolumne	Sacramento	Los Angeles
Cities (area code)	Colusa (530) Williams (530) Maxwell (530) Arbuckle (530) College City (530) Grimes (530)	Whole county-3 (707)	Whole county (530)	Yosemite Valley (209)	Galt (209) Elk Grove (916)	Calabasas (818)
County	Santa Barbara	Fresno	Contra Costa	Modoc	Shasta	Yolo
Cities (area code)	Santa Barbara (805) Montecito (805)	Whole county (559, 209)	Oakley (925) Brentwood (925) Antioch (925) Some of Concord (925)	Alturas (530)	Redding (530, 916)	Winters (530)

Appendix B: Endangered Rural Communities:

ISPs report they will discontinue service to the following areas if reciprocal compensation is repealed

County	All	Riverside	Colusa	Ventura (805)	Los Angeles
Cities (area code)	5	Idyllwild (909) Banning (909) Beaumont (909) Hemet (909) Sun City (909) Lake Elsinore (909) Canyon Lake (909) San Jacinto (909) Murietta (909) Temecula (909) Palm Desert (760) Whole county - 6	Arbuckle (530) College City (530)	Whole county - 2	Lancaster (661, 805)
County	San Berdardino	Kern	Amador	Humboldt	San Diego
Cities (area code)	Victorville (760) Crestline (909) Big Bear (909) Joshua Tree (760) Baker (760) Redlands (909) Whole county - 3	Mojave (661, 805) Bakersfield (661, 805) - 2 Whole County - 2	Jackson (209)	Petrolia (707) Bridgeville (707) Whitehorn (707) Shelter Cove (707) Weott (707) Rio Dell (707) Fortuna (707) Eureka (707) Arcata (707) Whole county	Borrego Springs (760) Fallbrook (760) Ramona (760) Alpine (760) Whole County - 1
County	Imperial	Mendocino	Sonoma County	San Louis Obispo	San Joaquin
Cities (area code)	Imperial (760)	Whole County	Whole County	Whole County	Whole County